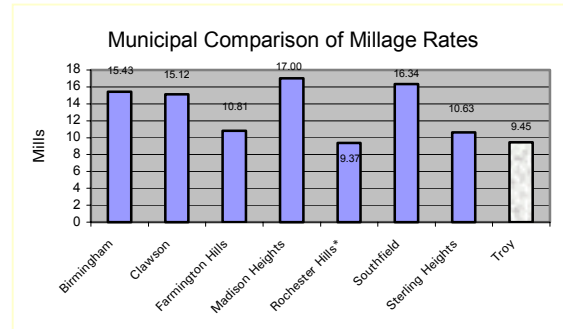
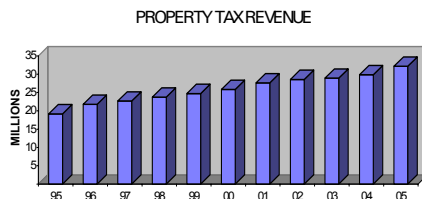




FUTURES TASKFORCE: REGIONALISM

TRENDS AFFECTING REGIONALISM

1. **Headlee and Proposal A:** The Headlee Amendment and Proposal A have been effective in putting restrictions on property taxes, resulting in an uneven taxing of properties.



*Rochester Hills millage rate would be approximately 11.61 with refuse collection.

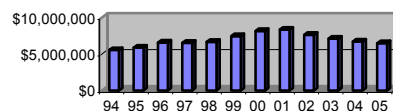
The City's total tax rate of 9.45 mills remains at the same level for four straight years. The operating millage rate of 8.12 mills (General Operating – 6.50 and Capital – 1.62) continues to be below the 10.00 millage rate established by City Charter and below the 8.5077 Headlee maximum allowable levy, down from 8.53. This is the first Headlee rollback since 2001.

Trend: Property tax revenue is flattening as the City becomes built-out. Although Troy's millage rate is low, City Council has deemed it a priority to maintain current millage rates without tax increases.

2. **Revenue Sharing:** The State of Michigan has reduced the revenue sharing commitment to Troy, resulting in serious consequences for Troy and other local government revenue.

TREND: "...the trend is for declining state support and receding federal aid. This trend started with the Reagan era and has continued ever since. To illustrate the dimension, during the 10 years of the Reagan-Bush era, federal funding of urban programs was reduced by almost 70%...The common trend for cities since the 1980's has been one of declining federal support – from the Reagan Administration period to the present day."¹

STATE SHARED REVENUE





3. **UNFUNDED MANDATES**

Unfunded mandates (UM) are on the increase. Unfunded mandates are orders imposed by higher levels of government not matched with financial support to implement such orders. Examples of such mandates are the Occupational Safety and Health Act, the Family and Medical Leave Act, the Americans with Disabilities Act, Clean Air Act, the Clean Water Act, the Homeland Security Act, and Help America Vote to name a few. **(Article Available)**

TREND: The trend is toward an increase in unfunded mandates causing governmental units to pursue regional initiatives to keep costs down.

4. **REGIONAL COLLABORATION**

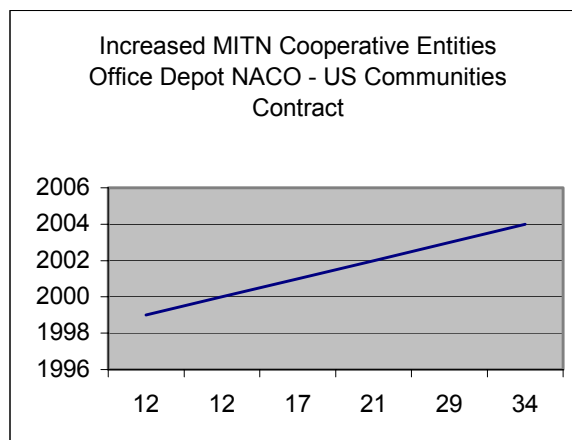
There is power in numbers and Regional Collaborations exhibit a method to save tax dollars and duplication of effort. One main issue is that there are 83 counties, 620 cities, and 1,254 townships within the State of Michigan concerned about losing local control.

The City of Troy participates in many regional collaborations (Attachment 1), although the taskforce will determine the course for initiatives to obtain the City's preferred future goals.

Governor Granholm's initiative, "Centers for Regional Excellence", to support and facilitate Regional Initiatives is an example of the richness of the process and the difficulties experienced in obtaining information on this issue and promoting this type of activity. The Governor's initiative regarding regional collaboration has provided useful information or trends including the following:

- ❖ Financial Savings. Joint cooperation occurs when funding diminishes, since Cooperatives can provide a positive impact for communities experiencing budget problems due to a weakened economy, the Headlee Amendment, and Proposal A.

The graph below shows the increased number of MITN Cooperative communities using the NACO U S Communities Office Supply Contract (rebates and discounts are based on the combined usage of all Cooperative members).



¹ Additional Revenue Sources Are Hard to Find as US Cities Face Increased Responsibilities, www.citymayors.com/finance/finance_uscities.html, 3 pages.



- ❖ Formation. Regional collaboration has resulted from a situation, incident, crisis, or emergency.

The Great Lakes Interagency Task Force was created to address regional environmental and resource management issues throughout the Great Lakes system. The Federal Government is partnering with Great Lakes states, tribal and local governments and communities, and other interests. (Article Available)

The Grand Valley Metropolitan Council was formed to avoid duplication through consolidation i.e. REGIS (Regional Geographical Information Service), storm water, grant assistance, Consultant study cooperation. (Website Information Available)

SEMCOG (Southeast Michigan Council of Governments) solves regional problems by working together with member local governments to improve the quality of life in Southeast Michigan in areas of transportation, environment, community, and economic development, and education. Troy is a member (Website Information Available)

- ❖ Many residents are leery of having services provided by other communities; Service sharing must preserve local autonomy and the character of the community.

RRRASOC and SOCCRA are the responsible agencies for Southwest and South Oakland County trash pickup and recycling. Troy is a member of SOCCRA and individual City's interests have caused dissention over the years. [i.e. golf course in Rochester Hills and the Madison Heights SOCCRA incinerator are examples of issues (RRRASOC and SOCCRA article available)]

- ❖ Communities have a responsibility to educate their constituencies including workers with a concentration on the "shared service" benefits and values including a program's positive impact on the lives of residents.

Citizen Academies have been established in various cities and townships (including Troy) to help citizens understand the workings of government and the positive impacts of regional cooperatives and projects. www.ci.troy.mi.us/CommunityAffairs/CitAcadApp2004.pdf

- ❖ Statutes have been passed to facilitate regional cooperation such as the Urban Cooperation Act, Metropolitan Council Act, Intergovernmental Transfers of Functions and Responsibilities Act, P. A. 8 of 1967, statutes allowing the creation of garbage and rubbish, dog pounds, community recreation, and fire. **(Statutes Available)**

5. MASS TRANSIT

- ❖ The federal government imperative is to support highway construction as a principal element of transportation policy that has triggered reliance on cars and ultimately on fossil fuel.
- ❖ According to the I-75 Corridor Study in Oakland County by the Corradino Group for various organizations including SEMCOG, by the year 2025, the I-75 corridor from 8 Mile to M-24 will operate at "over capacity" during afternoon peak hours resulting in a need to add one lane on either side to I-75.
- ❖ During President Kennedy's tenure in the 1960's, the federal government took decisive steps to advance mass / public transit. There are two goals of public transit: 1) ensuring a reasonable level of mobility for people who cannot drive an automobile; 2) induce drivers to leave their cars at home to alleviate traffic congestion and air pollution. These goals of improved roads and public transit, although unintentionally, compete for limited federal funds.

5. MASS TRANSIT



- ❖ Public transportation in the Detroit Metropolitan area is ineffective for moving transportation challenged people from Detroit to the suburbs by expanding the labor pool. This is important since there is a relationship between the transportation challenged in Detroit and jobs in the Suburbs. To improve service in the region, SMART and the DDOT attempted to merge 5 routes in 1994. The program failed the next year since a consensus could not be reached. Voters in the SMART tri-county area have approved a tax renewal in 1995, 1998, and 2002. But DDOT ends suburban service in 1998. A 2000 study determines that a DDOT and SMART merger are not recommended at that time. In 1999, rail access to downtown is permanently removed. DARTA (Detroit Area Regional Transportation Authority) is formed in 2001 to create a transit system consisting of the City of Detroit, SMART, Macomb, Oakland and Wayne Counties. The intergovernmental agreement is successfully challenged in court.
- ❖ Positive benefits of public transit include influencing land development, generating new activities, increasing mobility for people without cars, and enhancing livability of service areas.

Trend: More federal funds are spent on road construction than public/ mass transit projects

- ❖ **Trend: Gasoline and energy prices are increasing – see chart below**

Energy Information Administration

	Price Summary				Percent Change		
	2003	2004	2005	2006	03-04	04-05	05-06
WTI Crude (\$/barrel)	31.12	41.44	57.60	64.50	33.2	39.0	12.0
Gasoline (\$/gal)	1.56	1.85	2.34	2.45	18.8	26.6	4.6
Diesel (\$/gal)	1.50	1.81	2.45	2.58	20.3	35.2	5.5
Heating Oil (\$/gal)	1.36	1.54	2.08	2.34	13.5	35.4	12.5
Natural Gas (\$/mcf)	9.51	10.74	12.93	15.25	12.9	20.5	17.9

West Texas Intermediate: WTI Crude

Average regular pump price: Gasoline

On-highway retail: Diesel

Residential average: Heating Oil and Natural Gas



5. PUBLIC / MASS TRANSIT

- ❖ SMART: The following chart indicates the furthest walking distances to regular SMART line-haul bus route or Park-n-ride stop, or to a DDOT fix route using published route maps in suburban cities and townships.

CITY	DISTANCE
Detroit	.5 miles
Livonia	1.0 miles
Pontiac	1.0 miles
Royal Oak	1.0 miles
Southfield	1.0 miles
Warren	1.0 miles
Farmington Hills	2.0 miles
Clinton Township	2.5 miles
Sterling Heights	3.0 miles
Troy	4.0 miles
Waterford Township	7.0 miles
West Bloomfield Township	7.5 miles
Canton Township	8.0 miles
Shelby Township	9.0 miles
Rochester Hills*	10.0 miles

* Rochester Hills has declined to support SMART financially and is the reason for the long access distance.

Trend: The farther a suburb is from the core city of Detroit, the farther it is to a public transit line.

6. STORM WATER

- ❖ There has been a greater regional focus on storm water based on watershed systems. This is illustrated by the development of the Assembly of Rouge Communities and Clinton River Watershed Council. These two groups combine all the municipalities in each watershed to collaborate on education and development of watershed best management practices. The Phase II Federal Storm Water Rule is a powerful force in this trend.
- ❖ Regionally, the Detroit Water and Sewer Department has provided potable water and disposal of sanitary sewage for 126 communities in Southeast Michigan. There has been a trend for factions of this group to investigate the development of smaller independent water systems. They are currently involved in feasibility studies to determine the ability to separate from DWSD for operational and financial benefits.
- ❖ The DWSD has begun to open up and has developed several taskforce groups evaluating the maintenance and operation of the DWSD and the development of water and sewer rates. These taskforce groups include water and sewer staff from many of the serviced communities.



ISSUES FOR THE FUTURE:

- ❖ **The major issue for the future will be to maintain existing service levels and the designation as an “Edge” City. Multiple factors are working against the City. The Consumer Price Index indicates that the buying power in 1995 compared to 2005 has been reduced by 29% or from 2001 to 2005 has been reduced by 11%. State Revenue Sharing has declined since 2001. Property taxable revenue is flattening due to Proposal A and the Headlee Amendment.**
- ❖ **Unfunded mandates will further erode the City’s ability to provide services since funding will have to be allocated from existing programs to fund the implementation of these laws.**
- ❖ **In order to maintain Troy’s position as a place for people to work (135,977 people per SEMCOG 2000 forecasts) and the trend of high gas prices, public / mass transit issues will need to be addressed in the future. The furthest walking distance to a published SMART route in Troy is 4 miles resulting in non-user friendly service.**
- ❖ **Storm water will continue to be an issue in the coming years since efficiency in price and operation will be crucial to servicing the community with less money available.**

Prepared by City Facilitators:

Jeanette Bennett, Purchasing Director
Tim Richnak, Public Works Director



Attachment 1

DEPARTMENT	GROUP	DESCRIPTION
Building Department	Oakland County Building Officials	Signed mutual aide agreement.
Clerk	MAMC – Michigan Association of Municipal Clerks	Organization that includes lobbyist activities on behalf of the Association for legislative matters.
Community Affairs	ICCA - Intergovernmental Cable Communications Authority	<p>Members: Troy, Auburn Hills, Berkley, Clawson, Ferndale, Huntington Woods, Oakland Township, Pleasant Ridge, Rochester, Rochester Hills, Royal Oak</p> <p>Focus: ICCA oversees all cable franchise agreements with the communities and the Public Access channel. Troy's Community Affairs Director chairs the group.</p>
HR – Human Resources	EMPCO Testing Consortium	Police Officer Hiring
IT – Information Technology	<i>MiCTA</i>	<p>MiCTA is . . .</p> <ol style="list-style-type: none"> 1. An association of educational, governmental and non-profit entities 2. An aggregator of demand for essential products and services 3. A provider of helpful services to our membership 4. A clearinghouse of information for our membership <p>MiCTA (formed in 1982) provided telecommunications directors a networking forum. In 1988, approximately 15 members discussed aggregating demand for telecommunication services. This gathering led to MiCTA's first RFP and endorsement in 1989 to AT&T as the long distance carrier offering price savings up to 85% for long distance charges. Currently MiCTA is a national entity comprised of members from Higher Education, Healthcare, Libraries, K-12, Government bodies and other non-profit groups.</p> <p>Focus: MiCTA focuses on quality service and products at outstanding prices for its membership in the areas of voice, data and video. The continuing growth of MiCTA offers greater volume to the membership as a whole, and vendors are responding with increasingly better offers every year! http://www.micta.org/about/default.asp</p> <p>Troy's Use: Used for telecommunications services including Avaya for the City's telephone system. <i>Membership fee: \$75 – annually</i></p>

IT	REMC – Regional Educational Media Cooperative	<p>Focus: Long history of developing and nurturing cooperative, collaborative relationships that have a mutual benefit for the Association, its respective partners and schools throughout the state. Consistent with its mission “to provide a forum for interaction and...equitable access to quality services” long-standing, productive arrangements have been formalized with vendors of products and services, universities, Intermediate and Local School Districts. These cooperative arrangements have a single purpose: to add value to services offered by Regional Educational Media Centers to their constituent public and non-public schools.</p> <p>http://www.remc.org/aboutrem.htm</p> <p>Troy's Use: Luckily some REMC vendors also extend their prices to Local Government - generally used for HP Servers and printers, and Epson LCD Projectors.</p> <p><i>Membership Fee: None</i></p>
Museum and Historic Village	Museum Cooperative	<p>The Troy Museum participates in a Cooperative with other neighboring historic agencies to provide equipment and/or personnel in the event of fire, flood, or other disaster that damages collections materials. Participating agencies include Rochester Museum at Van Hoosen Farm, The Birmingham Historical Museum, The Clawson Museum, and The Franklin Museum.</p>
Planning and Traffic Engineering	SEMCOG – Southeast Michigan Council of Governments	<p>SEMCOG is the regional planner in areas that cross-jurisdictional boundaries in the SE Michigan region encompassing Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw and Wayne Counties, and supports local government in the areas of transportation, environment, community and economic development, and education.</p> <p><i>Membership Dues (04/05): \$11,040.00</i></p>
Planning	MSA – Michigan Suburbs Alliance	<p>Participant of the Redevelopment Ready Committee – not a member – The Suburbs Alliance has become a respected voice on issues of utmost importance to our communities, such as funding for local government, physical infrastructure, and the redevelopment of Michigan's urban and suburban communities.</p>
	JPS - Joint Public Services	<p>JPS is about local governments and school districts working together to achieve a higher level of efficiency, effectiveness, and cost savings. JPS includes public/ private partnerships where local governments partner with the private sector on projects that impact the quality of life in the community and region. SEMCOG continues to support and promote JPS projects in the region, to increase awareness of cooperative methods for delivering public services that will improve quality of life and conserve limited public funds.</p> <p><i>Membership Dues: \$0.00</i></p>



Public Works Fleet Maintenance Division	Repair Work for Other Governmental Units	<ol style="list-style-type: none"> 1. Clawson Fire Truck Repair 2. Clawson Truck Transmission Repair 3. Huntington Woods Truck Transmission Repair 4. MEDIGO Transportation repair and maintenance of 4 vans / buses 5. Police (various surrounding communities) speedometer calibration
Public Works Streets and Drains Division	Cooperative Work for Other Governmental Units	Oakland County <ul style="list-style-type: none"> ❖ Street Sweeping ❖ Snow and Ice Control ❖ Road side clean up ❖ Sidewalk Maintenance ❖ Sign Repair ❖ Surface Maintenance ❖ Open Drain Clean Out and Brushing ❖ Grate Cleaning ❖ Street Light Maintenance
Purchasing	MITN – Michigan Intergovernmental Trade Network Cooperative	Purchasing Cooperative comprised of purchasing professionals from Southeast Michigan although expanding to professionals outside this area (formerly known as the Tri-County Purchasing Cooperative). The group was initially formed to network and discuss common issues. Soon after formation, common items were identified that were bid as a Cooperative. Bids or due-diligence services hosted by the City of Troy include ice melt, pagers, office supplies, auctioneer services. <i>Membership Dues: \$0.00</i>
	MITN – Michigan Intergovernmental Trade Network – E-procurement System	Some MITN members voluntarily banded together and bid an E-procurement system capable of allowing vendor registration, posting bids, bid tabulations, bid awards, providing on-line auction services, posting and processing quotations, and other services as they become available. The system allows vendors one location to register for bids for numerous participating entities, and allows cities to save administrative costs. <i>City Cost: \$0.00</i>



Purchasing	MiDEAL - State of Michigan Extended Purchasing Program	The State of Michigan offers certain State contracts to various entities that become members of the program. Some of the contracts used by the City are: vehicles, tires, road salt, hardware items, office furniture, body armor, document conversion to name a few contracts used. <i>Membership Dues (2004-05): \$270.00</i>
	Oakland County Extended Purchasing Program	Oakland County offers certain County contracts to various entities that become members of the program. Some of the contracts used by the City include: vehicles, seating, radios and radio accessories, janitorial supplies, and furniture. <i>Membership Costs (2004-05): \$200 to access bids on-line</i>
	U S Communities – Government Purchasing Alliance	U.S. Communities is a nationwide strategic sourcing program designed by public purchasing professionals for use by government agencies and public-benefit non-profits throughout the country. Some of the contracts used by the City include: Office supplies, carpeting, technology products, janitorial supplies, electrical products. <i>Direct Membership Costs: \$0.00</i>
	MMRMA – Michigan Municipal Risk Management Association – Electric Choice	Electric Choice Program: The MMRMA as part of the services offered to cities is providing electric service to some city facilities through their energy consultant – Kimball Power – who finds low cost electricity on behalf of those entities who participate in the program. Cost: Administrative Fee is added to monthly electric bills unless monthly price would be lower if provided by Edison – in which case the administrative fee is not charged.
RED – Real Estate & Development	Oakland County Economic Development Group	Professional retention and attraction activities by local economic developers
	Redevelopment Ready Communities	Regional development
	Michigan Economic Development Corp.	Group that attracts and retains businesses in Michigan
	Detroit Regional Chamber of Commerce	
	Automation Alley	Private and public sector retention and attraction activities



TFD – Troy Fire Department	OFTI – Oakland Fire Training Institute	The TFD participates with Oakland Fire Training Institute to conduct a basic firefighters academy annually and sponsors the program on a tuition basis for firefighters throughout the county. The academy is held at the Troy Training Center. <i>Any students from the Troy FD attend at no charge.</i>
	Oakland East Hazmat / Tech Rescue Team	Special Response Unit- Troy FD and PD are part of the Oakland East hazmat/tech rescue team that is comprised of 40 firefighters and public safety officers from Troy FD, Troy PD, Clawson FD, Bloomfield Hills DPS, Franklin Bingham FD, Beverly Hills DPS, Berkley DPS, Huntington Woods DPS, Oak Park DPS, and Hazel Park PD. Oakland County supports this team with equipment and training support.
	State of Michigan Regional Response Team	The Special Response Unit is one of 15 state designated response teams trained and equipped to deal with hazardous materials/weapons of mass destruction incidents. The Unit receives support from the State of Michigan and is considered a state asset capable of responding anywhere in Michigan.
	OakWIN (Oakland Wireless Integrated Network)	-The police and fire departments are participating in the countywide 800 Mhz trunked radios system that is designed to replace most of the existing radio communications infrastructure and equipment in order to provide enhanced interoperability for public safety. Project funding is provided by a wire-line telephone surcharge that is a considerable cost saving to the participating departments.
	CLEMIS Fire Records Management System	Oakland County provides a fire records management system covering 30 departments and 77 fire stations. It provides advanced capability at the lowest possible cost to local agencies. Approximately 75% of the cost of the system is funded by Oakland County with the participating departments picking up the remaining 25%.
	OCFCA - Oakland County Fire Chiefs Association Joint Purchases	The fire department participates in periodic group purchasing efforts with the Oakland County Fire Chiefs Association. Most recently a joint purchase was conducted for aerial and ground ladder testing.
TPL – Troy Public Library	Suburban Library Cooperative	The Suburban Library Cooperative is comprised of Libraries in Macomb County and the Harper Woods and Troy Libraries. Services include a combined electronic integrated automation software package for all library functions, cataloging and authority control of materials, daily delivery, interlibrary loan (resource sharing), continuing education opportunities and centralized purchasing discounts for library materials and subscriptions.
	<i>CORD</i>	Group that allows reciprocal borrowing and free use of most Oakland County libraries



<i>TPL - continued</i>	<i>MiLE</i>	A Southeast Michigan interlibrary loan (resource sharing) and delivery program that includes Wayne, Oakland, Macomb, St. Clair, Washtenaw and Livingston counties.
<i>Treasurer</i>	Oakland County Delinquent Tax Collection Program	Once City of Troy taxes become delinquent after March 1st, the roll is forwarded to Oakland County who takes steps to collect them or collect the money through forfeiture.



ATTACHMENT 2

FUTURES 2005

1993 TASKFORCES VS. 2005 TASKFORCES

1993 TASKFORCES	2005 TASKFORCES
Community	Civic Infrastructure
Human Services	Civic Infrastructure
Leisure & Culture	Lifestyle
Preservation & Beautification	Image & Presentation
Lifelong Learning	Lifetime Learning
Economic Vitality	Wealth Creation
Regional Cooperation / Infrastructure	Regionalism
	Mobility

1993 Regional Cooperation / Infrastructure Outcomes

1993 Outcomes	2005 Taskforce
Regional Cooperation to Manage Growth	Image & Presentation and Regionalism
Improved Infrastructure	Civic Infrastructure and Regionalism
Excellent Traffic Flow	Mobility
Alternative Methods of Transportation	Mobility
Reduced Traffic Congestion	Mobility
Traffic Safety	Mobility
Affordable Housing for Aging Population	Wealth Creation
Adequate Transportation for People Unable to Drive	Mobility
Cost Effective Public Services	Regionalism
Effective Communication Infrastructure	Lifestyle, Image & Presentation, Lifetime Learning
Clean Air, Water, and Soil	Regionalism



REGIONALISM
REGIONAL COOPERATION – HISTORY
ATTACHMENT 3

ORGANIZATION	CONTACT	PHONE	YEAR FORMED	REASON/INCIDENT CAUSING FORMATION	MISSION OF ORGANIZATION
Western Michigan Strategic Alliance	Jay Peters or Debbie	616-494-9202 www.wm-alliance.org	2000	Series of meetings with various groups-more beneficial to operate as one groups vs individual entities	Bring groups together for more beneficial results
SEMCOG – South East Michigan Council of Governments	Kathleen Lomako Or Naheed Hug	313-961-4266 www.semco.org	1968	Brought separate groups together-cohesion of various planning services, particularly transportation	Solve regional problems by working together with member local governments to improve quality of life in Southeastern Michigan.
MITN Cooperative Michigan Intergovernmental Trade Network	Jeanette Bennett	248-680-7191	1991	Networking Organization; Attempt to find like goods and services that can be bid as a group	
MITN E-procurement System Michigan Intergovernmental Trade Network	Jeanette Bennett	248-680-7291	2003	On-line vendor registration, posting of quotations, bids, RFP's, tabulations, and awards – allows vendors to register for opportunities for 18 communities at one time	
MOSES Metropolitan Organizing Strategies Enabling Strength	Vicki Kovari	vkovari@aol.com	1996	MOSES decided to recruit congregations in the suburbs to work with congregations in the city of Detroit and look at regional solutions to the problem of revitalization of the city and inner ring suburbs. Presentation by Myron Orfield and his book <u>Metropolitcs</u> put us on this course initially.	MOSES' mission is to develop clergy and lay people in congregations and other institutions to be leaders and to take action in the public arena on a variety of issues: crime, housing, urban sprawl, transportation and civil rights. The tools used include: leadership training, one on ones and organizing large and small public meetings around specific issues.



REGIONALISM
REGIONAL COOPERATION – HISTORY
ATTACHMENT 3 (continued)

ORGANIZATION	CONTACT	PHONE	YEAR FORMED	REASON/INCIDENT CAUSING FORMATION	MISSION OF ORGANIZATION
C S Mott Foundation	Cris Doby or Delia Cappel	(810) 238-5651 cdoby@mott.org dcappel@mott.org www.mott.org	1926	Charles Stewart Mott established the C.S. Mott Foundation in 1926 because of a deep concern about the welfare of his adopted community of Flint.	The Foundation's major concern has been the well-being of the community, including the individual, the family, the neighborhood and the systems of government.
Kalamazoo Community Foundation	John E. Hopkins	jhopkins@kalfound.org www.kalfound.org	1925	The Foundation helps individuals, families, businesses and nonprofit agencies achieve their charitable and financial goals by providing tools and resources that make giving easy, flexible and effective.	
Kantzler Foundation	Dominic Monastiere or Frederick Hollister	Dom.monastiere@chemica.com or fhollister@bayfuture.com www.bayfuture.com	2004	There wasn't a specific event that caused the creation. Community leaders agreed among themselves that Bay County needed a better coordinated economic development organization as opposed to each city and township doing their own thing. The slow down in the economy after 2001 pushed the issue in general.	Mission is to retain existing companies in the county and recruit new companies to the community.